

Draft Revised 2012 Business Plan
Errata Sheet
Board Discussion—April 12, 2012

Item	Chapter	Page	Proposed Modification	Comments
1	ES	4	<p><i>New fourth paragraph</i></p> <p>“After issuing the Draft Plan which introduced the Phase 1 Blended option, the Authority prepared additional analysis on the capital costs, the operating and maintenance plan and costs, and ridership/revenue forecasts for this option. In addition, the Authority collaborated with other transportation providers, including Caltrans, Caltrain, ACE, and Metrolink, to further develop this option for implementation. This additional work and analysis has enabled the Authority to fully embrace the Phase 1 Blended option in this Revised Plan.”</p>	Clarification
2	ES	4	<p><i>Bottom paragraph</i></p> <p>“In the San Francisco Bay Area, the existing Caltrain corridor will be upgraded through grade separations, passing tracks, electrification and <u>passing tracks (to be studied)</u> to provide the connection north from San Jose to the new Transbay Transit Center in Downtown San Francisco.”</p>	Clarification
3	ES	7	<p><i>Bottom paragraph</i></p> <p>“The IOS of the California high-speed rail system will connect the Central Valley near Merced to the San Fernando Valley gateway to Los Angeles.”</p>	Clarification
4	ES	8	<p><i>Fourth paragraph</i></p> <p>“Electric trains can stop and start faster than diesel trains, which will <u>can</u> reduce <u>travel time and/or increase service to</u> stations the time it takes to travel between San Francisco and San Jose.”</p>	Clarification
5	ES	13	<p><i>Exhibit ES-3. Multiple Revisions—See Attachment A</i></p> <p>(1) Revised Service Descriptions</p> <p>(2) Added Service Start Dates</p> <p>(3) Added Cumulative Capital Costs (YOE\$)</p>	Clarification and consolidation of information
6	ES	13	<p><i>Bullet at bottom of page</i></p> <p>“The average ticket fare between San Francisco and Los Angeles will be \$81 (83 percent of</p>	Correction

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			anticipated airline ticket prices) in 2010 dollars, with up to eight <u>nine</u> trains per hour during the peak period (<u>four trains per hour from San Francisco, two trains per hour from San Jose, and two trains per hours from Merced</u>)."	
7	ES	17	Second paragraph "Ongoing value engineering, collaborative planning, and focused use of procurement tools to incentive <u>incentivize</u> efficiencies are among the tools that will be used."	Correction
8	1	9	Callout box—"What is America 2050?" Move/consolidate it with discussion of economic competitiveness.	Clarification
9	2	10	Last paragraph "Through a new, strategic approach, there is also the opportunity for new or improved <u>travel</u> one-seat rides between Bakersfield and Sacramento, Oakland, San Jose, and San Francisco."	Clarification
10	2	11	Last paragraph "At this stage, passengers will be able to take a one-seat ride between greater Los Angeles (San Fernando Station) and the San Francisco Transbay Transit Center using blended infrastructure in the north between San Francisco and San Jose (<u>assuming electrification of the Caltrain corridor by 2020 as proposed by Caltrain</u>), using dedicated high-speed rail infrastructure between San Jose and the San Fernando Station, and, in the south, connecting via Metrolink between the San Fernando Valley Station and Los Angeles' Union Station and on to other points throughout Southern California."	Clarification
11	2	23	Top of page/second bullet "A potential mid-peninsula station (at Redwood City) (Caltrain, SamTrans, and VTA)"	Correction
12	2	29	Second to last paragraph "In the near term, inflation is based on <u>projected</u> actual rates, as detailed in Chapter 7, Financial Analysis and Funding."	Correction
13	3	13	Last paragraph Change \$182 billion to <u>\$183</u> billion	Correction
14	5	12	Fifth paragraph "For the Phase 1 Blended service, up to <u>four</u> six trains per peak hour are assumed to operate between Los Angeles and San <u>Francisco Jose</u> . <u>Two additional trains per hour would run between San Jose and Los Angeles as well as two trains between Merced and Los</u>	Clarification

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			<u>Angeles. In total, eight trains per hour circulate between north and south California in the peak hours. Four trains continue to San Francisco.</u>	
15	5	13	<i>Second paragraph</i> “For the Phase 1 Full Build service, if constructed, one additional train in the peak would run between Los Angeles and San Francisco. On the South end, three of the <u>nine</u> seven trains would continue past Los Angeles to Anaheim.”	Clarification
16	7	12	<i>Quote</i> Change year from 2011 to <u>2012</u>	Correction
17	7	25	<i>Bullet at bottom of page</i> “Funding for the key initial operating segment from the Central Valley to the Los Angeles Basin is fully identified, The key initial operating segment from the Central Valley to the Los Angeles Basin is fully funded, will not require an operating subsidy, will generate positive cash flow to attract future investment, and will close the state’s rail gap with the country’s first dedicated high-speed rail system.”	Clarification
18	9	9-6 thru 9-10	<i>Benefit-cost analysis (BC) results—See Attachment B</i> Exhibits 9-1, 9-2, and 9-3, and related references in text on these pages, to be updated to reflect adjustments and corrections made subsequent to issuing Revised Plan.	Corrections

Attachment A—Revised Exhibit ES-3

Exhibit ES-3. Summary of each phased implementation section

Section	Length (approx.)	Endpoints	Service Description	Service Start	Cumulative Cost (YOE\$, billions)
Initial Operating Section	300 miles	Merced to San Fernando Valley	<ul style="list-style-type: none"> • One-seat ride from Merced to San Fernando Valley • Closes north-south intercity rail gap, connecting Bakersfield and Palmdale and then into Los Angeles Basin • Begins with construction of up to 130 miles of HSR track and structures in Central Valley • Private sector operator • Ridership and revenues sufficient to attract private capital for expansion • Connects with enhanced regional/local rail for blended operations, with common ticketing 	2022	\$31
Bay to Basin	410 miles	San Jose and Merced to San Fernando Valley	<ul style="list-style-type: none"> • One-seat ride between San Francisco and San Fernando Valley* • Shared use of electrified/upgraded Caltrain corridor between San Jose and San Francisco Transbay Transit Center • First HSR service to connect the San Francisco Bay Area with the Los Angeles Basin 	2026	\$51
Phase 1 Blended	520 miles	San Francisco to Los Angeles/Anaheim	<ul style="list-style-type: none"> • One-seat ride between San Francisco and Los Angeles • Dedicated HSR infrastructure between San Jose and Los Angeles Union Station • Shared use of electrified/upgraded Caltrain corridor between San Jose and SF Transbay Transit Center • Upgraded Metrolink corridor from LA to Anaheim 	2029	\$68

One-seat ride means that passengers do not need to switch trains, even if the train operates over two systems (e.g., moving north on dedicated high speed rail infrastructure and then moving onto Caltrain tracks at San Jose, assuming electrification of Caltrain corridor by 2020 as proposed by Caltrain)

Attachment B—Revised Exhibits 9-1, 9-2, and 9-3

Exhibit 9-1. Benefit-cost analysis results summary

System	Discounted Total Benefits (2011\$ in millions)	Discounted Total Costs (2011\$ in millions)	Net Present Value (2011\$ in millions)	Economic Rate of Return	Benefit-Cost Ratio
IOS	\$43,245	\$20,259	\$22,986	12.89%	2.13
Bay to Basin	\$62,738	\$27,854	\$34,884	13.49%	2.25
Phase 1 Blended ¹	\$70,190	\$33,261	\$36,929	12.91%	2.11

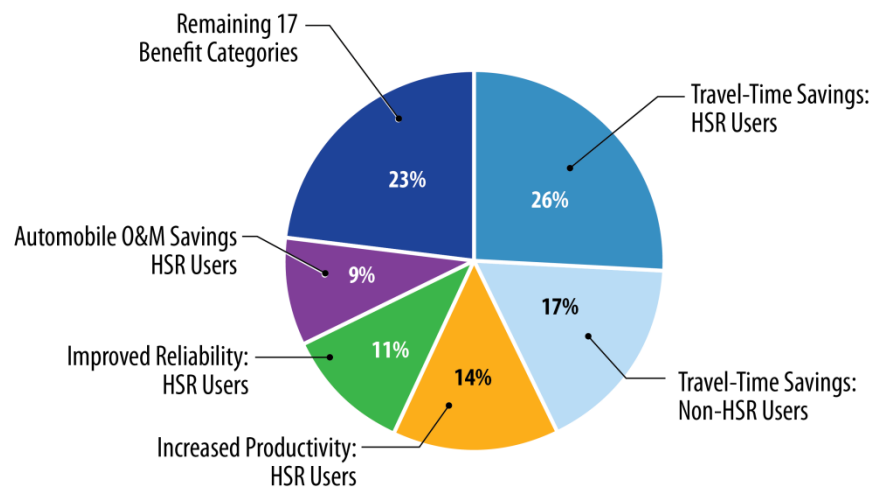
¹The BCA includes the full costs of the Phase 1 Blended improvements but only those benefits accruing from the HSR system. Many additional benefits from the blended improvements would accrue through Caltrain, Metrolink, and other interlined systems but are not included in the BCA.

Exhibit 9-2. Benefit-cost analysis results (\$2011)

Category	IOS	Bay to Basin	Phase 1 Blended
Benefits			
Benefits for HSR users	\$26,270	\$37,792	\$42,432
Benefits from reduced driving	\$16,337	\$23,423	\$26,017
Benefits from reduced flying	\$637	\$1,523	\$1,741
Total benefits	\$43,245	\$62,738	\$70,190
Costs			
Construction costs	\$17,496	\$23,769	\$28,841
Operating and maintenance costs	\$2,670	\$3,906	\$4,244
Periodic rehabilitation costs	\$106	\$196	\$207
Salvage value	(\$14)	(\$18)	(\$31)
Total costs, net of salvage value ¹	\$20,259	\$27,854	\$33,261
Net present value	\$22,986	\$34,884	\$36,929
Benefit-cost ratio	2.13	2.25	2.11
Economic rate of return	12.89%	13.49%	12.91%

¹Salvage value is the discounted value of the remaining useful life of the system at the end of the analysis period. For example, tracks that were laid in 2020 and have a 100-year useful life would have 40 years or 40 percent of their useful life remaining at the end of the analysis period in 2080.

Exhibit 9-3. Percent breakdown of the main benefit categories (Phase 1 Blended)



Note:

Almost half of the benefits from California HSR will come from the travel-time savings for users who switch to high-speed rail and from faster highway travel from reduced congestion.